## BEFORE THE POSTAL RATE COMMISSION

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POSTAL RATE COMMISSION OFFICE OF THE SECRETARY

POSTAL RATE AND FEE CHANGES, 1997

DOCKET NO. R97-1

SECOND SET OF INTERROGATORIES AND REQUESTS FOR PRODUCTION OF DOCUMENTS FROM UNITED PARCEL SERVICE TO UNITED STATES POSTAL SERVICE WITNESS BRADLEY (UPS/USPS-T14-21 through 22)

(August 4, 1997)

Pursuant to the Commission's Rules of Practice, United Parcel Service hereby serves the following interrogatories and requests for production of documents directed to United States Postal Service witness Bradley (UPS/USPS-T14-21 through 22).

Respectfully submitted,

John E. McKeever Albert P. Parker Stephanie Richman

Attorneys for United Parcel Service

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Of Counsel.

## INTERROGATORIES OF UNITED PARCEL SERVICE TO UNITED STATES POSTAL SERVICE WITNESS BRADLEY

UPS/USPS-T14-21. Please refer to page 13 of your direct testimony, where you discuss the adjustment lag to new processing technologies.

- (a) Please state the length of one "period" of adjustment.
- (b) Please explain why only one lag was chosen to allow for adjustment.
- (c) Is there empirical evidence to support the choice of a one period lag? If so, please provide all such evidence and explain.
- (d) Is there any anecdotal evidence to suggest that adjustments take only one period? If so, please provide all such evidence and explain.
- (e) Was the possibility of using a two period adjustment investigated? If so, please explain why it was not selected.
- (f) Please explain how the result of your costing analysis differs between MODS and PIRS.

UPS/USPS-T14-22. Please refer to page 27 of your direct testimony, where you discuss the three digit MODS codes that can be included in one particular activity.

(a) Please confirm that you captured all three digit codes for all activities you analyze. If so confirmed, please explain how you can be certain that you did so? If not confirmed, please explain.

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(b) Please explain any ambiguities in assigning three digit MODS codes to an activity.

## **CERTIFICATE OF SERVICE**

I hereby certify that I have this date served the foregoing document in accordance with section 12 of the Commission's Rules of Practice.

Stephanie Richman

Dated: August 4, 1997

Philadelphia, Pa.